

## Message Text

LIMITED OFFICIAL USE

PAGE 01 SAN JO 04710 112259Z

70

ACTION L-02

INFO OCT-01 ARA-06 ISO-00 SS-15 EUR-12 SCA-01 CIAE-00

INR-05 NSAE-00 RSC-01 NSC-05 JUSE-00 SEC-01 /049 W

----- 030921

R 112150Z DEC 74

FM WBEMBASSY SAN JOSE

TO SECSTATE WASHDC 8815

LIMITED OFFICIAL USE SAN JOSE 4710

E.O. 11652: N/A

TAGS: EFIN, PINT, CS

SUBJECT: VESCO AND GOCR BONDS

REF: STATE 264466

1. IN RESPONSE TO REFTEL, EMBASSY ARRANGED APPOINTMENT WITH CENTRAL BANK PRESIDENT JIMENEZ TO DISCUSS VESCO BONDS, BUT JIMENEZ HAD TO CANCEL APPOINTMENT TO PROCEED TO CARACAS IN CONNECTION WITH PRESIDENT PEREZ' MEETING WITH CENTRAL AMERICAN CHIEFS OF STATE. IN ABSENCE OF JIMENEZ, EMBOFF MET WITH ACTING HEAD OF CENTRAL BANK RIGOBERTO NAVARRO BUT LATTER DENIED ANY KNOWLEDGE OF VESCO BONDS.

2. AN ARTICLE APPEARED IN LA NACION OF DECEMBER 4 WHICH, IF ACCURATE, APPEARS TO CLEAR UP THE QUESTION OF WHETHER VESCO HAD REDEEMED HIS GOCR BONDS (AS ALPIZAR HAD REPORTEDLY SAID) OR WHETHER HE IS STILL ATTEMPTING TO DO SO AS PRESS ACCOUNTS ALLEGED IN LATE NOVEMBER. THE DECEMBER 4 LA NACION ARTICLE STATES THAT "THE BONDS FOR PAYMENT OF CHRISTMAS BONUSES IN 1972 WHICH WERE ACQUIRED BY VESCO THROUGH THE BANK OF THE BAHAMAS HAVE ALREADY BEEN REDEEMED BY THE CENTRAL GOVERNMENT." BUT THE ARTICLE GOES ON TO DESCRIBE OTHER BONDS HELD BY VESCO.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SAN JO 04710 112259Z

3. THE OTHER BONDS REPORTEDLY HELD BY VESCO, SAID

TO BE VALUED AT 80-90 MILLION COLONES (\$9.4 - 10.5 MILLION), ARE BONDS OF GOVERNMENT CORPORATIONS CALLED AUTONOMOUS INSTITUTES. THE GOVERNMENT CORPORATION SAID TO BE IN DEBT TO VESCO ARE: THE NATIONAL SEWER AND WATER SERVICE (SNAA), WHICH IS SAID TO OWE 20 MILLION COLONES; THE NATIONAL INSTITUTE OF HOUSING AND URBANISM (INVU), WHICH IS SAID TO OWE 12 MILLION COLONES IN BONDS THAT HAVE REACHED MATURITY PLUS AN UNKNOWN ADDITIONAL AMOUNT IN OTHER BONDS; THE COSTA RICAN ELECTRICITY INSTITUTE (ICE); THE INSTITUTE OF LAND AND COLONIZATION (ITCO); THE POPULAR BANK OF COMMUNITY DEVELOPMENT, AND THE SOCIAL PROTECTION COUNCIL OF SAN JOSE (JUNTA DE PROTECCION SOCIAL DE SAN JOSE).

4. THE SAME ARTICLE REPORTS THAT UNTIL RECENTLY THE CENTRAL BANK HAD IN ITS CUSTODY BONDS VALUED AT 3.4 MILLION COLONES WHICH WERE HELD IN TRUST IN ACCORDANCE WITH AN AGREEMENT WITH THE COMMERCE BANK OF THE BAHAMAS. THE ARTICLE ADDS THAT THESE BONDS, WHICH WERE TO MATURE IN FEBRUARY, 1975, WERE WITHDRAWN FROM THE CENTRAL BANK'S CUSTODY.

5. THE EMBASSY WILL REPORT ANY INFORMATION THAT IT MAY BE ABLE TO ACQUIRE FROM OFFICIAL SOURCES CONCERNING THE VESCO BONDS.  
LANE

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GOVERNMENT BONDS, PRESS COMMENTS, FOREIGN EXCHANGE TRANSACTIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 DEC 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** boyleja  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974SANJO04710  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740360-0519  
**From:** SAN JOSE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19741243/aaaabkwp.tel  
**Line Count:** 88  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION L  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 74 STATE 264466  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** boyleja  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 11 SEP 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <11 SEP 2002 by martinml>; APPROVED <18 MAR 2003 by boyleja>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** VESCO AND GOCR BONDS  
**TAGS:** EFIN, PINT, CS, (VESCO, ROBERT)  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005